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Fifth session
Bonn, 25 February - 7 March 1997

REPORT OF THE SUBSIDIARY BODY FOR IMPLEMENTATION ON THE WORK OF ITS FIFTH SESSION, BONN, 25 FEBRUARY - 7 MARCH 1997

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I. OPENING OF THE SESSION
(Agenda item 1)

1. The fifth session of the Subsidiary Body for Implementation (hereinafter referred to as "the SBI") was held at the Stadthalle Bad Godesberg, Koblenzer Strasse 80, Bonn, from 25 February to 7 March 1997.

2. The Chairman of the SBI, Mr. Mohamed M. Ould El Ghaouth, opened the session at the 1st meeting, on 25 February 1997. In welcoming the participants, he recalled that the fourth session had been brief and focused on a single item, but the fifth session had many items to address. He noted that the fifth session of the SBI would have to take definitive decisions on some issues if the SBI were to complete its workload by the October session. He expressed the hope that delegates would assist him in bringing the session to a successful conclusion.

3. The Executive Secretary welcomed all participants to the session. He noted that the agenda for the session illustrated the diversity of tasks the SBI had to handle. On the review of the financial mechanism, he stated that the Global Environment Facility (GEF) was about to start its replenishment process and it was important that the Parties give a clear and timely signal to the GEF as to their future intentions. On budgetary contributions, he stated that delays in contributions might warrant consideration by the SBI later in the year and, if the status of contributions remained unsatisfactory, by the Conference of the Parties (COP).

4. Concerning support for non-Annex I Parties' initial communications, the Executive Secretary stated that Convention bodies were not well informed about the prospects for receipt of the national communications and that several non-Annex I Parties had announced delays in their completion. He further stated that the secretariat was convinced that there was an urgent need for a modest, lightweight and responsive support arrangement for non-Annex I communications consisting of these elements: a concerted "marketing" effort to ensure that non-Annex I Parties have access to the financial resources they require to prepare their national communications; a central point for collecting information on the progress of communications projects, providing a help-desk function and mobilizing rapid expert assistance; and a programme to enable groups of similar countries to exchange experiences as they prepare their initial communications.

II. ORGANIZATIONAL MATTERS
(Agenda item 2)

A. Adoption of the report of the fourth session
(Agenda item 2 (a))

5. At its 1st meeting, on 25 March, the SBI adopted the report of the fourth session.

B. Adoption of the agenda
(Agenda item 2 (b))

6. At its 1st meeting, on 25 March, the SBI adopted the following agenda:

1. Opening of the session.

2. Organizational matters:

   (a) Adoption of the report of the fourth session;

   (b) Adoption of the agenda;

   (c) Election of officers other than the Chairman;

   (d) Organization of the work of the session.

3. National communications:

   (a) Communications from Parties included in Annex I to the Convention;

   (b) Communications from Parties not included in Annex I to the Convention.

4. Financial and technical cooperation:

   (a) Financial mechanism: review process referred to in decision 9/CP.1;

   (b) Information on relevant action by the Council of the Global Environment Facility.

5. Development and transfer of technologies.

6. Administrative and financial matters:

   (a) Programme budget for 1998-1999: perspectives on financial requirements;

   (b) Volume of documentation.

7. Legal matters:

(a) Implementation of the Headquarters Agreement;

(b) Action by the Depositary of the Convention.

8. Matters arising from the United Nations General Assembly:

(a) Special session on Agenda 21: Inputs from UNFCCC;

(b) Action by the General Assembly at its fifty-first session.

9. Arrangements for intergovernmental meetings:

(a) The third session of the Conference of the Parties;

(b) Calendar of meetings for 1997-1999.

10. Report on the session.

C. Election of officers other than the Chairman
(Agenda item 2 (c))

7. At the 1st meeting of the SBI, on 25 March, the Chairman announced that, as a result of the informal consultations which he had conducted, agreement had been reached on the election of officers other than the Chairman. Mr. José Romero (Switzerland) was nominated Vice-Chairman and Ms. Patricia Iturregui Byrne (Peru) was nominated Rapporteur. The SBI elected these officers by acclamation and the Chairman congratulated them on behalf of the SBI.

D. Organization of the work of the session
(Agenda item 2 (d))

8. At its 1st meeting, on 25 March, the Chairman stated that services would be available from 10 a.m. to 1 p.m. and from 3 p.m. to 6 p.m. on the days allotted to the SBI. The SBI approved the organization of the work presented by the Chairman. The Chairman also referred to the documentation before the fifth session, as mentioned in document FCCC/SBI/1997/1. The 1st and 2nd meetings of the fifth session of the SBI were presided over by the Chairman, and the remainder of the session by the Vice-Chairman owing to the indisposition of the Chairman.

9. The SBI agreed to admit one new intergovernmental organization and 13 non-governmental organizations that had been screened by the secretariat, on the basis of the provisions in paragraph 6 of Article 7 of the Convention, without prejudice to the subsequent action by the COP.

E. Attendance

10. The lists of attendance at the fifth session of the SBI are given in document FCCC/1997/INF.2.

F. Documentation

11. The documents prepared for the fifth session of the SBI are listed in annex I to the present document.

III. NATIONAL COMMUNICATIONS
(Agenda item 3)

A. Communications from Parties included in Annex I to the Convention
(Agenda item 3 (a))

1. Proceedings

12. At its 1st meeting, on 25 March, the SBI addressed the sub-item on national communications from Parties included in Annex I to the Convention.

13. Statements were made by the representatives of five Parties, including one speaking on behalf of the European Community and its member States.

2. Conclusions

14. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusions:

(a) The SBI took note of the report of the secretariat on the progress made in the process of review of the first national communications from Parties included in Annex I to the Convention and urged the secretariat to publish pending In-Depth Review (IDR) reports as soon as it is practicable;

(b) The SBI encouraged Parties included in Annex I to the Convention to submit second national communications and inventory data by 15 April 1997 or the other date determined by decision 9/CP.2 of the second session of the COP for Parties with economies in transition. It also noted with appreciation that one Annex I Party had already submitted its second national communication to the secretariat;

(c) The SBI welcomed the convening of the informal workshop and took note of the oral report of its Chairmen. It concluded that the workshop served a useful purpose in allowing Parties and observers to exchange information and views on the implementation aspects of specific policies and measures taken by Parties included in Annex I to the Convention. It also requested the secretariat to explore possibilities of exchanging experiences on the implementation of the Convention, including, by further convening workshops on specific topics, when and where necessary in conjunction with future sessions of the SBI.

B. Communications from Parties not included in Annex I to the Convention

(Agenda item 3 (b))

1. Proceedings

15. At its 4th meeting, on 27 February, the SBI addressed the sub-item on national communications from Parties not included in Annex I to the Convention.

16. Statements were made by the representatives of four Parties, including one speaking on behalf of the Group of 77 and China, and one speaking on behalf of the European Community and its member States.

2. Conclusion

17. At its 6th meeting on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusion:

(a) The SBI took note of the activities undertaken by the secretariat to facilitate the provision of support to non-Annex I Parties for the preparation of their initial national communications described in document FCCC/SB/1997/INF.1, and requested the secretariat, keeping in view decision 10/CP.2 and Articles 4.3 and 12.5, to continue to report to the SBI at future sessions on further progress achieved.

IV. FINANCIAL AND TECHNICAL COOPERATION
(Agenda item 4)

A. Financial mechanism: review process referred to in decision 9/CP.1
(Agenda item 4 (a))

1. Proceedings

18. At its 2nd and 7th meetings, on 26 February and 6 March respectively, the SBI addressed the sub-item on the Financial Mechanism: review process referred to in decision 9/CP.1. It had before it a note prepared by the secretariat (FCCC/SBI/1997/2).

19. Statements were made by the representatives of 11 Parties, including one speaking on behalf of the Group of 77 and China and one speaking on behalf of the European Community and its member States.

2. Conclusions

20. At its 7th meeting, on 6 March, having considered a proposal from the Vice-Chairman, the SBI adopted the following conclusions:

(a) The SBI noted that in accordance with Article 11.4 of the Convention, the COP by its Decision 9/CP.1 agreed to review the Financial Mechanism within four years of the first COP, and take appropriate measures, including a determination of the definitive status of the Global Environment Facility (GEF) in the context of the Convention;

(b) The SBI further noted that decision 11/CP.2 mandates the SBI at its fifth session to undertake the review process referred to in decision 9/CP.1 and report on the outcome to the COP at its third session.

(c) The SBI, in considering the matter, noted that:

(i) The new information at the disposal of this session of the SBI comprised the report prepared by the GEF (see FCCC/SBI/1997/2), discussions at two workshops conducted by the GEF and a question and answer session between the GEF and the SBI. This information was welcomed. In this regard, the Parties would need additional time for the review of the content of the documents;

(ii) In order to facilitate a fully-informed review, information from other sources, including Parties, would be particularly important;

(iii) The report of the Special Session of the United Nations General Assembly reviewing the implementation of Agenda 21 would be of interest to the SBI in its review of the financial mechanism.

(d) Accordingly, the SBI agreed that it would begin the review process on the basis of the guidelines attached in annex II to this document. The SBI invited Parties to submit views on their experience regarding the financial mechanism by May 15, 1997 and requested the secretariat to prepare a compilation of the submissions. The SBI also requested the secretariat, on the basis of the submissions received, and other information as enumerated in the guidelines, to prepare a synthesis report for consideration by the Parties at the sixth session of the SBI. The need for a full replenishment was highlighted during the meeting.

B. Information on relevant action by the Council of the Global Environment Facility
(Agenda item 4 (b))

1. Proceedings

21. At its 2nd meeting, on 26 February, the SBI addressed the sub-item on information on relevant action by the Council of the GEF. It had before it a note prepared by the secretariat (FCCC/SBI/1997/MISC. 1).

22. Statements were made by representatives of eight Parties, including one speaking on behalf of the Group of 77 and China and one speaking on behalf of the European Community and its member States.

2. Conclusion

23. At its 7th meeting, on 6 March, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusion:

(a) The SBI took note of the information on relevant action by the Council of the GEF contained in document FCCC/SBI/1997/MISC.1 and requested the secretariat to provide to the SBI at subsequent sessions such information as it becomes available.

V. DEVELOPMENT AND TRANSFER OF TECHNOLOGIES
(Agenda item 5)

1. Proceedings

24. At its 1st meeting, on 25 February, the SBI addressed the item on development and transfer of technologies. It had before it three documents prepared by the secretariat (FCCC/SB/1997/1, FCCC/SBSTA/1997/MISC. 1 and Add.1).

25. The SBI deferred consideration of this item until the SBSTA had finished its own consideration of the aspects allotted to it.

2. Conclusion

26. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusion:

(a) The SBI took note of the workshop on technology transfer held during this session, and further noted that the SBSTA intended to have a comprehensive debate on technology and technology transfer. The SBI decided to defer the consideration of item 5 and requested the SBSTA to refer to it, as necessary, any items that might require the attention of the SBI.

VI. ADMINISTRATIVE AND FINANCIAL MATTERS
(Agenda item 6)

A. Programme budget for 1998 - 1999: perspectives on financial requirements
(Agenda item 6 (a))

1. Proceedings

27. At its 1st and 3rd meetings, on 25 and 27 February respectively, the SBI addressed the sub-item on the programme budget for 1998-1999: perspectives on financial requirements (FCCC/SBI/1997/3). It had before it a note prepared by the Executive Secretary.

28. Statements were made by the representatives of 12 Parties, including one speaking on behalf of the Group of 77 and China and one speaking on behalf of the European Community and its member States.

2. Conclusions

29. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusions:

(a) The SBI endorsed the following timetable and process for the review and adoption of the programme budget for the biennium 1998-1999:

(i) A comprehensive programme budget will be proposed in a timely manner by the Executive Secretary for consideration by the SBI at its sixth session in July 1997, which will complete its review of the budget at that session and recommend a budget decision to the COP for adoption;

(ii) The recommended decision will follow the precedent of that adopted in decision 17/CP.1 at COP 1 (see FCCC/CP/1995/7/Add.1) providing a total budget with allocations by programme, a secretariat-wide staffing table broken down by level, and a provision enabling the Executive Secretary to switch resources among programmes within limits;

(iii) On account of prevailing uncertainties, some elements of the programme budget may have to be recommended by the SBI as contingencies, depending on decisions of COP 3 or the United Nations General Assembly at its fifty-second session;

(iv) On the basis of its recommended budget decision, the SBI will authorize the Executive Secretary to notify the Parties by 1 October, 1997 of their indicative contributions due to the core budget by 1 January, 1998;

(v) The decision on the programme budget will be adopted by COP 3 as recommended by the SBI, except for any modifications that may result from other decisions of COP 3;

(vi) Information on financial performance in 1996-1997 will be provided to COP 3, in accordance with paragraph 14 of decision 16/CP.2, (see FCCC/CP/1996/15/Add.1).

(b) The SBI requested the Executive Secretary to propose a detailed programme budget for the biennium 1998-1999, specifying the outputs of each programme, for consideration and discussion by the SBI at its sixth session, taking full account of the views expressed by delegations at the fifth session of the SBI;

(c) The SBI requested its Chairman to consider convening broadly representative informal intersessional consultations, if feasible, to facilitate possible agreement on the programme budget at its sixth session.

B. Volume of documentation
(Agenda item 6 (b))

1. Proceedings

30. At its 1st and 3rd meetings, on 25 and 27 February, respectively, the SBI addressed the sub-item on the volume of documentation.

31. Statements were made by the representatives of two Parties.

2. Conclusions

32. At its 6th meeting, on 28 February, having considered a proposal by its Vice-Chairman, the SBI adopted the following conclusions:

(a) The SBI recalled decision 17/CP.2 of the COP at its second session, whereby it requested the Executive Secretary to submit to the SBI, at its fifth session, further options for reducing the cost of documentation for the meetings of the COP and its subsidiary bodies. The SBI took note that the Executive Secretary required more time to prepare recommendations on this matter and would submit them to the SBI at its sixth session;

(b) The SBI noted the concern of developing country Parties that the distribution of documents by conventional means be maintained, since many delegates of those Parties did not yet have access to electronic communication media. It requested the secretariat to make provision for the adequate and timely distribution of documents to Parties in paper form;

(c) In this connection, the SBI also took note of the policy being applied by the United Nations Office at Geneva (UNOG), in accordance with General Assembly resolution 36/117B, of 10 December, 1981, not to distribute official documents until all language versions are ready for simultaneous distribution. In the light of this policy, the SBI recommended that the agendas of the Convention bodies should, as far as possible, include only items for which the documents were expected to be available in advance in all the official languages. The SBI considered that there were some types of documents whose consideration could not be scheduled this way, for example the annotated agendas and the reports of sessions of Convention bodies, and the documentation of the Ad Hoc Group on the Berlin Mandate (AGBM);

(d) In the light of these considerations, the SBI requested the Executive Secretary to explore with the UNOG the possibility that, when justified by exceptional circumstances, as indicated above, each language version of a document may be distributed by UNOG as it became available.

VII. LEGAL MATTERS
(Agenda item 7)

A. Implementation of the Headquarters Agreement
(Agenda item 7 (a))

1. Proceedings

33. At its 3rd meeting, on 27 February, the SBI addressed the sub-item on the implementation of the Headquarters Agreement.

2. Conclusion

34. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusion:

(a) The SBI took note of the actions by the United Nations and the Government of Germany to complete the formal requirements for the entry into force of the Agreement among the United Nations, the Government of Germany and the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) concerning the headquarters of the Convention secretariat, and requested the secretariat to provide to the SBI, relevant information at its next session.

B. Action by the Depositary of the Convention
(Agenda item 7 (b))

1. Proceedings

35. At its 3rd meeting, on 27 February, the SBI addressed the sub-item on action by the Depositary of the Convention.

2. Conclusion

36. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusion:

(a) The SBI took note of the opinion provided by the Treaty Office of the United Nations Office of Legal Affairs on the request of the Czech Republic and the Slovak Republic that the name of Czechoslovakia be deleted from Annex I to the Convention, and that the names of the Czech Republic and the Slovak Republic be included in Annex I and decided to recommend to the COP to take up the request from the Czech and Slovak Republics when it comes to review the lists in Annexes I and II to the Convention.

VIII. MATTERS ARISING FROM THE UNITED NATIONS GENERAL ASSEMBLY
(Agenda item 8)

A. Special session on Agenda 21: inputs from the UNFCCC
(Agenda item 8 (a))

1. Proceedings

37. At its 2nd and 3rd meetings, on 26 and 27 February, respectively, the SBI addressed the sub-item on the Special session on Agenda 21: inputs from the UNFCCC. It had before it a note prepared by the secretariat (FCCC/SBI/1997/4).

38. Statements were made by representatives of two Parties.

2. Conclusions

39. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the conclusions attached in annex III to this document.

B. Action by the General Assembly at its fifty-first session
(Agenda item 8 (b))

1. Proceedings

40. At its 2nd meeting, on 26 February, the SBI addressed the sub-item on Action by the General Assembly at its fifty-first session.

2. Conclusion

41. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusion:

(a) The SBI took note of the action taken by the United Nations General Assembly, at its fifty-first session, on matters related to the UNFCCC and requested the Executive Secretary to report on the review of administrative arrangements at its sixth session.

IX. ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS
(Agenda item 9)

A. The third session of the Conference of the Parties
(Agenda item 9 (a))

1. Proceedings

42. At its 1st meeting, on 25 February, the SBI addressed the sub-item on the third session of the Conference of the Parties. It had before it a note prepared by the secretariat (FCCC/SBI/1997/5).

43. Statements were made by representatives of 11 Parties, including one speaking on behalf of the Group of 77 and China.

2. Conclusions

44. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusions:

(a) The SBI took note with satisfaction of the arrangements that were being made by the Government of Japan as the host Party of COP 3 and it looked forward to additional information concerning these arrangements, in particular on the conclusion of a memorandum of understanding between the Government of Japan and the secretariat of the UNFCCC related to the hosting of the session at Kyoto, Japan;

(b) The SBI requested the Executive Secretary to provide a note at its sixth session, containing a list of possible elements for the provisional agenda for COP 3 focused on the completion of the work of the Berlin Mandate and its adoption and taking account of views expressed at its current session;

(c) Regarding the organization of work of COP 3, the SBI recommended that:

(i) COP 3 would be held from Monday, 1 to Wednesday, 10 December 1997;

(ii) After dealing with the opening and organizational matters, COP 3 would immediately allocate the completion of decisions on the Berlin Mandate process to a sessional committee of the whole, open to all delegations;

(iii) In order to finalize the political negotiations on the outcome of the Berlin Mandate, a ministerial segment would take place from Monday, 8 December to Wednesday, 10 December, when the final text of a protocol or another legal instrument would be adopted;

(iv) Any new substantive proposals, including proposals affecting the purpose and organization of the ministerial segment, should be communicated to all Parties well in advance of the Conference, in accordance with the normal United Nations practice.

(d) The SBI requested the secretariat to propose, at its sixth session a cost effective and innovative way of organizing the ministerial segment, and providing ministers with adequate opportunities to exchange views on policy matters;

(e) It also requested the secretariat to propose arrangements for the communication of views by heads of United Nations programmes and agencies, IGOs and NGOs.

B. Calendar of meetings for 1997 - 1999

(Agenda item 9 (b))

1. Proceedings

45. At its 1st meeting, on 25 February, the SBI addressed the sub-item on the calendar of meetings for 1997-1999. It had before it a note prepared by the secretariat (FCCC/SBI/1997/5).

46. Statements were made by representatives of four Parties.

2. Conclusions

47. At its 6th meeting, on 28 February, having considered a proposal by the Vice-Chairman, the SBI adopted the following conclusions:

(a) The SBI, with regard to COP 4, decided that it would recommend, at its sixth session, after consideration of the potential offers to host the Conference, the date and venue of COP 4, in accordance with the provisions of the Convention. It called on Parties to submit offers to host COP 4 by its sixth session;

(b) The SBI took note of the calendar of meetings for 1997, and requested the secretariat to propose, at its sixth session a calendar of meetings for 1998-1999 based on holding two blocks of sessions of the Convention bodies each year, each block comprising two weeks of meetings (see FCCC/SBI/1997/5, para. 22).

X. REPORT ON THE SESSION

(Agenda item 10)

48. The SBI requested the Rapporteur, with the assistance of the secretariat, to complete the report of the session taking into account the discussions during the session and the need for editorial adjustments.

49. The Vice-Chairman, on behalf of the Chairman, after thanking all participants for their cooperation throughout the meeting, declared the fifth session of the SBI closed.

Annex I

DOCUMENTS BEFORE THE SUBSIDIARY BODY FOR IMPLEMENTATION AT ITS FIFTH SESSION

Documents prepared for the session

FCCC/SBI/1997/1	Provisional agenda and annotations
FCCC/SBI/1997/2	Financial and technical cooperation: Financial Mechanism: review process referred to in decision 9/CP.1
FCCC/SBI/1997/3	Administrative and financial matters: Programme Budget for 1998-1999: perspectives on financial requirements
FCCC/SBI/1997/4	Matters arising from the United Nations General Assembly: Special session on Agenda 21: inputs from the UNFCCC
FCCC/SBI/1997/5	Arrangements for intergovernmental meetings: The third session of the Conference of the Parties (COP 3)
FCCC/SBI/1997/MISC.1	Financial and technical cooperation: Information on relevant action by the Council of the Global Environment Facility
FCCC/SB/1997/INF.1	National communications: Communications from Parties not included in Annex I to the Convention: secretariat activities to facilitate the provision of support to non-Annex I Parties for the preparation of their initial national communications

Other documents for the session

FCCC/SBI/1996/14	Report of the Subsidiary Body for Implementation on the work of its fourth session held at Geneva from 10-11 December 1996
FCCC/SB/1997/1	Progress report on technology and technology transfer
FCCC/SBSTA/1997/MISC.1	Technology and technology information needs Comments from a Party

FCCC/SBSTA/1997/MISC.1/Add.1 Technology and technology information needs
Comments from Parties

Annex II

GUIDELINES FOR THE REVIEW OF THE FINANCIAL MECHANISM

A. Objectives

1. In accordance with paragraph 4, Article 11 of the Convention, the objectives will be to review the financial mechanism and take appropriate measures regarding:

(a) Its conformity with the provisions of Article 11 of the Convention;

(b) Its conformity with the guidance of the COP;

(c) The effectiveness of the activities it funds in implementing the Convention;

(d) Its effectiveness in providing financial resources on a grant or concessional basis, including for the transfer of technology, for the implementation of the Convention's objective on the basis of the guidance provided by the COP;

(e) Its effectiveness in providing resources to developing country Parties under Article 4.3.

B. Methodology

2. The review shall draw upon the following sources of information:

(a) Information provided by the Parties on their experiences regarding the financial mechanism;

(b) Annual reviews by the COP on the conformity of the activities of the financial mechanism with the guidance of the COP;

(c) The GEF annual report to the COP on its activities as the operating entity of the financial mechanism, the annual reports of the GEF and other relevant GEF policy and information documents;

(d) Reports from the GEF monitoring and evaluation programme;

(e) Reports from the United Nations Commission on Sustainable Development and relevant bilateral and multilateral funding institutions;

(f) Relevant information provided by other inter-governmental organizations and non-governmental organizations.

C. Criteria

3. The effectiveness of the financial mechanism will be assessed taking into account the following:

(a) The transparency of decision-making processes;

(b) The adequacy, predictability and timely disbursement of funds for activities in developing country Parties;

(c) The responsiveness and efficiency of the GEF project cycle and expedited procedures, including its operational strategy, as they relate to climate change;

(d) The amount of resources provided to developing country Parties, including financing for technical assistance and investment projects;

(e) The amount of finance leveraged;

(f) The sustainability of funded projects.

Annex III

SPECIAL SESSION ON AGENDA 21: CONCLUSIONS

1. The SBI endorsed the elements contained in document FCCC/SBI/1997/4 as revised and reproduced below and requested the Executive Secretary to forward them to the special session on Agenda 21 of the United Nations General Assembly.

2. The United Nations Framework Convention on Climate Change (UNFCCC), which was adopted in 1992, has received 165 instruments of ratification or accession assuring almost universal membership of States.

3. The Convention was one of the key outcomes of the United Nations Conference on Environment and Development (UNCED), and its objectives have a close relationship to the goals of sustainable development. It has linkages to the framework of Agenda 21, with relation to energy, transport, industry, agriculture, forests, water and waste management.

4. An important element in the global effort to address climate change and its impacts is the open exchange of information on the implementation of commitments of Parties under the Convention. This also contributes to developing international debate on longer-term trends in consumption and production patterns, in accordance with Agenda 21. National communications are submitted so that Parties inform each other of how they are meeting their commitments under the Convention and describe their climate change programmes and how these programmes will affect greenhouse gas emissions and sinks by the year 2000.

5. In addition, the UNFCCC secretariat is mandated by the Parties to the Convention to prepare a compilation and synthesis of the national communications for consideration by them. A second such compilation and synthesis was submitted to the second session of the Conference of the Parties (COP) in which it considered the national communications of 33 Annex I Parties. The document provides an overview of the implementation of the Convention by reporting Parties, noting trends and patterns, areas of convergence and divergence, data gaps and other appropriate conclusions, including the overall effects of policies and measures. It demonstrated that while Annex I Parties are fulfilling their commitments to the implementation of national policies and measures on the mitigation of climate change, they need to make additional efforts to overcome difficulties that they face in achieving the aim of returning their emissions of greenhouse gases to 1990 levels by the year 2000.

6. Another link to furthering the goals of sustainable development is the work of the Intergovernmental Panel on Climate Change (IPCC), whose Second Assessment Report is considered to be the most comprehensive and authoritative assessment now available of the scientific and technical information regarding global climate change. The IPCC has now initiated steps towards preparation of its Third Assessment Report to develop a better objective scientific understanding of issues related to climate change, its impacts and possible

response options. This report is expected to enhance the formulation of climate change policies in the context of sustainable development.

7. New initiatives for cooperative implementation, including technology transfer and diffusion, between all Parties to the Convention and with the major groups in civil society are also being explored by the Parties to the Convention. Through these linkages the key themes of Agenda 21 pertaining to integrated policy development, citizen participation in decision-making, institutional and human capacity building and global partnerships involving many stakeholders, are being addressed by the UNFCCC.

8. The UNFCCC has also taken first steps to deal with the continued rise of emissions and concentrations of greenhouse gases. The Berlin Mandate agreed by the first Conference of the Parties is the basis for considerable efforts under way in the Ad hoc Group on the Berlin Mandate (AGBM). The COP, at its second session, called, inter alia, for acceleration of negotiations of the text of a protocol, or another legal instrument which would fully encompass the remit of the Berlin Mandate. The General Assembly, at its special session, may wish to encourage member States to agree on a satisfactory result of these negotiations at the third session of the COP, scheduled to be held in Kyoto in December 1997.

9. Steps are being taken by developing country Parties to prepare their initial communication of information related to implementation. The Global Environment Facility (GEF), as the interim operating entity of the financial mechanism of the Convention, is supporting developing country Parties in implementing their commitments by funding enabling activities such as planning and endogenous capacity building.
The Subsidiary Body for Implementation (SBI) called on the GEF to provide expeditious and timely support to these Parties and initiate work towards a full replenishment in 1997.

10. Further international action in the implementation of Agenda 21 will help to involve the whole international community in promoting the effective implementation of the United Nations Framework Convention on Climate Change.

11. Noting the relevant provisions of Agenda 21 relating to the transfer of environmentally sound technology, cooperation and capacity building, the COP at its first and second sessions took decisions related to these issues. The General Assembly may also wish to pay special attention to the transfer of technology.

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SUBSIDIARY BODY FOR IMPLEMENTATION
Sixth session
Bonn, 28 July - 5 August 1997
Item 2 (a) of the provisional agenda

PROVISIONAL AGENDA AND ANNOTATIONS

Note by the Executive Secretary

I. INTRODUCTION

1. Arrangements have been made for the sixth session of the Subsidiary Body for Implementation (SBI) to be held at the Hotel Maritim, Bonn, from 28 July to 5 August 1997. The session will be opened by the Chairman at 10 a.m. on Monday, 28 July 1997.

II. PROVISIONAL AGENDA

2. The provisional agenda for the sixth session of the SBI, proposed after consultation with the Chairman, is as follows:

1. Opening of the session.

2. Organizational matters:

   (a) Adoption of the agenda;
   (b) Organization of the work of the session;
   (c) Preparation by the SBI for the third session of the Conference of the Parties (COP 3).

3. Division of labour between the SBI and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

4. National communications:

   (a) Communications from Parties included in Annex I to the Convention;
   (b) Communications from Parties not included in Annex I to the Convention.

5. Financial mechanism: Review process referred to in decision 9/CP.1.

6. Development and transfer of technologies.

7. Administrative and financial matters:

   (a) Programme budget for 1998-1999;
   (b) Volume of documentation.

8. Arrangements for intergovernmental meetings:

   (a) Arrangements for COP 3;
   (b) Arrangements for COP 4;
   (c) Calendar of meetings for 1997-1999.

9. Matters arising from the United Nations General Assembly: Special session on Agenda 21.

10. Mechanisms for consultation with non-governmental organizations (NGOs).

11. Report on the session.

III. ANNOTATIONS TO THE PROVISIONAL AGENDA

1. Opening of the session

3. The sixth session of the SBI will be opened by the Chairman at 10 a.m. on Monday, 28 July 1997.

2. Organizational matters

(a) Adoption of the agenda

4. The provisional agenda for the sixth session of the SBI is presented for adoption (see paragraph 2 above).

(b) Organization of the work of the session

(i) Documentation

5. The provisional agenda has been drawn up taking account of the expected timely availability of documentation in the six languages of the United Nations. There are some exceptions as indicated below.

6. Document FCCC/SBI/1997/8 may be late on account of the May 15 deadline for submissions by Parties, but is expected to be available in all languages.

7. Document FCCC/SBI/1997/10, Programme budget, may also be available late, but is expected to be available in all languages.

8. In order to provide delegates with the most up-to-date information, the following documents will be produced in English only and will be made available as soon as the information is complete: FCCC/SB/1997/4, FCCC/SB/1997/5, FCCC/SB/1997/6 and FCCC/SBI/1997/13.

9. A list of documents relating to the provisional agenda, as well as other documents available at the session, is contained in annex I below.

(ii) Schedule

10. The scheduling of meetings for the session will be based on the availability of facilities during normal working hours when services are available for one meeting with interpretation from 10 a.m. to 1 p.m. and 3 p.m. to 6 p.m. There will also be some facilities for informal meetings without interpretation. Delegations are urged to use these facilities fully by attending all meetings promptly at the scheduled time. A suggested approach to the organization of work is contained in annex II below.

(c) Preparation by the SBI for COP 3

11. In addition to presenting its advice on the division of labour at its sixth session, the SBI will need to prepare at its seventh session its recommendations to COP 3 on other matters before it. The SBI may wish to take a similar approach as the INC/FCCC at its eleventh session, when it was preparing for COP 1 (A/AC.237/91/Add.1).

3. Division of labour between the SBI and the SBSTA

12. At its second session, the COP decided to take up at its third session the question of the division of labour between the SBI and the SBSTA. This will be done on the basis of recommendations made to it by the Chairmen of the two subsidiary bodies (FCCC/CP/1996/15, section II F, para. 24). The SBI will have before it document FCCC/SB/1997/2 prepared by the Chairmen of the SBI and the SBSTA. The SBI may wish to set up an informal contact group with the SBSTA which could prepare draft conclusions on their division of labour for adoption by the SBI and the SBSTA, including a draft decision for adoption by the COP at its third session.

4. National communications

(a) Communications from Parties included in Annex I to the Convention

13. At its second session, by its decision 9/CP.2, the COP decided that the review process should be continued in accordance with the relevant decisions of the COP (FCCC/CP/1996/15/Add.1). The secretariat will make an oral report on the progress achieved in the process of reviewing first communications from Parties included in Annex I to the Convention and on the status of submission of their second communications.

14. At the request of the SBSTA, at its fifth session (see FCCC/SBSTA/1997/4), the secretariat has prepared a workplan, including a tentative schedule of the in-depth review (IDR) of second national communications of Parties included in Annex I to the Convention. The SBI may wish to take note of this document (FCCC/SB/1997/5) and the conclusions of the SBSTA on this matter.

15. An informal workshop on Annex I communications will be held in the afternoon on Thursday, 31 July. The secretariat is preparing an initial compilation and synthesis report on second national communications for the sessions of the subsidiary bodies scheduled to be held in Bonn in October 1997. The secretariat intends to present a preliminary overview of data which may include, to the extent available, trends in past greenhouse gas (GHG) emissions and projections of future emissions (FCCC/SB/1997/6).

(b) Communications from Parties not included in Annex I to the Convention

(i) Secretariat activities to facilitate the provision of financial and technical support

16. At its second session, by its decision 10/CP.2, paragraph 1 (a), the COP requested the secretariat, in accordance with Article 8.2(c), to facilitate assistance to Parties, particularly developing country Parties, in the preparation of their initial communications through the organization of workshops at the regional level; to provide a forum for the exchange of experiences in the development of emission factors and activity data for the estimation of the inventory, as well as, on request, for other elements of information in the initial communication; and to provide a report to the SBI and the SBSTA at each of their sessions (FCCC/CP/1996/15/Add.1). The secretariat will provide a progress report on these issues in document FCCC/SBI/1997/9.

17. The secretariat had provided information to the fifth session of the SBI on the expected dates of publication of the initial communications of 47 non-Annex I Parties (see FCCC/SB/1997/INF.1 annex I). The secretariat will provide any new information on such expected dates in document FCCC/SBI/1997/13.

(ii) Information on relevant action by the Council of the Global Environment Facility (GEF)

18. At its second session, by its decision 10/CP.2, paragraph 1 (b), the COP requested the secretariat to make available to the SBI, at each of its sessions, details of the financial support provided to non-Annex I Parties by the GEF for the preparation of their initial communications (see FCCC/CP/1996/15/Add.1). The secretariat will make this information available in document FCCC/SBI/1997/MISC.4.

(iii) Views of Parties on a process for considering non-Annex I communications

19. Further, in anticipation of the submission of initial national communications from non-Annex I Parties, and in order to prepare for further discussions, the secretariat has invited Parties to provide views on a process for considering these communications. The secretariat, consistent with decision 10/CP.2, will present a compilation of these views in document FCCC/SBI/1997/MISC.5.

5. Financial mechanism: Review process referred to in decision 9/CP.1

20. At its second session, by its decision 11/CP.2, paragraph 4, the COP requested the SBI at its fifth session to undertake the review process referred to in decision 9/CP.1 and to report on the outcome to the COP at its third session (FCCC/CP/1996/15/Add.1).

21. At its fifth session, the SBI welcomed the information at its disposal, which comprised a report prepared by the GEF, discussions at two workshops conducted by the GEF, and a question and answer session between the GEF and the SBI. The SBI noted that Parties would need additional time to review the content of the documents and agreed to begin the review process on the basis of the agreed guidelines (FCCC/SBI/1997/6 paras. 27-28).

22. At the same session, the SBI also invited Parties to submit views by 15 May 1997 on their experiences regarding the financial mechanism and requested the secretariat to prepare a compilation of the submissions (FCCC/SBI/1997/6 para. 28). The SBI also requested the secretariat, on the basis of the submissions received and other information as enumerated in the guidelines, to prepare a synthesis report for consideration by the SBI at its sixth session (FCCC/SBI/1997/6 para. 28).

23. In response to these requests, the secretariat will provide a compilation of the views submitted by Parties (FCCC/SBI/1997/MISC.3) and a synthesis report (FCCC/SBI/1997/8).

6. Development and transfer of technologies

24. At its fifth session, the SBSTA took note of activities undertaken by the secretariat to prepare reports on topics, such as adaptation technologies, the terms of transfer of technology and know-how and technology information centres. It urged the secretariat to accelerate these activities.

25. The SBSTA will have before it a progress report on these activities (FCCC/SB/1997/3) and an update to this report (FCCC/SB/1997/4). The SBSTA will also have available a technical paper (FCCC/TP/1997/1) on recent investment trends and financial flows and specific information, particularly related to multilateral financial institutions. This technical paper will be the first in a series of papers on terms of transfer following the proposal in document FCCC/SB/1997/1, paragraphs 34-40. The SBSTA will discuss these issues further at its sixth session and refer to the SBI any matter that may require its consideration.

7. Administrative and financial matters

(a) Programme budget for 1998-1999

26. At its fifth session, in accordance with the financial procedures of the Convention (see decision 15/CP.1), the SBI requested the Executive Secretary to propose a programme budget for the biennium 1998-1999 for consideration at its sixth session in July/August 1997 (FCCC/SBI/1997/6, para. 29 (a) (i)). In response to this request, the Executive Secretary proposes the programme budget contained in document FCCC/SBI/1997/10. This proposed budget contains information on the activities the secretariat is mandated to undertake in the coming biennium, the results it expects these activities to achieve, and the financial and

human resources estimated as necessary to do so. The SBI is invited to review the proposed budget, and to recommend a budget decision to the COP for adoption at its third session. As was agreed by the SBI at its fifth session, this budget decision should include a total budget with allocations by programme, a secretariat-wide staffing table, broken down by level, and a provision enabling the Executive Secretary to transfer resources among programmes within limits (see FCCC/SBI/1997/6, para. 29 (a) (ii)). It may also include the recommendation to the COP of some elements of the programme budget as contingencies, pending decisions by the United Nations General Assembly and the COP itself at its third session. In addition, the SBI may wish to authorize the Executive Secretary to notify the Parties by 1 October 1997 of their indicative contributions due to the core budget for 1998 on the basis of the recommended budget decision; to recommend that the COP take note of funding requirements outside of the core programme budget; and to recommend to the COP the levels of remuneration of the Executive Secretary and the other senior posts during the coming biennium.

(b) Volume of documentation

27. At its fifth session, the SBI was informed that the Executive Secretary required more time to prepare recommendations on this matter and would submit them to the SBI at its sixth session. The SBI will have before it document FCCC/SBI/1997/12, containing a number of proposed options for reducing the volume and cost of documentation for the sessions of the COP and its subsidiary bodies, and on action taken in response to the conclusions of the SBI at its fifth session (see FCCC/SBI/1997/6, para. 32).

8. Arrangements for intergovernmental meetings

(a) Arrangements for COP 3

28. The SBI will have before it document FCCC/SBI/1997/11 containing updated information on arrangements being made by the secretariat in connection with COP 3, a list of possible elements for a provisional agenda for the session and suggestions concerning the organization of the work of the session, including the organization of the ministerial segment and the arrangements for the communication of views by organizations. The SBI may wish to take note of the information received and give guidance on these matters.

(b) Arrangements for COP 4

29. The SBI called on Parties to submit by its sixth session offers to host COP 4 and decided that, after consideration of such offers, it would recommend its date and venue in accordance with the provisions of the Convention.

(c) **Calendar of meetings for 1997-1999**

30. The SBI also requested the secretariat to propose at its sixth session a calendar of meetings for 1997-1999 based on holding two blocks of sessions of the Convention bodies each year, each block comprising two weeks of meetings. This calendar is presented in document FCCC/SBI/1997/11.

9. Matters arising from the United Nations General Assembly: Special session on Agenda 21

31. At its fifth session, the SBI agreed upon the input of the United Nations Framework Convention on Climate Change (UNFCCC) to the special session of the General Assembly as contained in document FCCC/SBI/1997/L.1/Add.1. This input was transmitted and circulated in document E/C.N.17/1997/21 at the fifth session of the Commission on Sustainable Development held from 7 to 25 April 1997 in New York.

32. The UNFCCC input will be transmitted and circulated in a note by the Secretary General at the special session of the General Assembly due to be held in New York from 23 to 27 June 1997.

33. Any decisions of the special session of the General Assembly that are relevant to the UNFCCC will be drawn to the attention of the SBI at its sixth session.

10. Mechanisms for consultation with non-governmental organizations (NGOs)

34. At its fifth session, the SBSTA urged the secretariat to complete work on this agenda by the sixth session of the subsidiary bodies and, in the light of the division of labour between the SBI and the SBSTA, invited the SBI to consider this agenda item.

35. The secretariat has prepared a brief paper (FCCC/SBI/1997/14) containing a number of recommendations on ways to enhance or strengthen existing consultation arrangements and/or mechanisms between NGOs and the UNFCCC. This paper is based on consultations of the secretariat with NGOs and a background paper that was prepared by the Global Environment Information Centre of the United Nations University (GEIC/UNU). This background paper will be made available for information as document FCCC/SBI/1997/MISC.6.

36. The SBI may wish to provide comments on the above-mentioned recommendations and take into account their respective financial implications.

11. Report on the session

37. Due to the relatively short duration of the session and the number of items on its agenda, a complete draft text of the report might not be available at the end of the session. The SBI may wish to adopt decisions or texts of substantive conclusions, and authorize the Rapporteur to complete the report after the session with the assistance of the secretariat. Subject to the availability of sufficient time for their translation, conclusions will be made available in all languages.

Annex I

DOCUMENTS BEFORE THE SUBSIDIARY BODY FOR IMPLEMENTATION AT ITS SIXTH SESSION

Documents prepared for the session

FCCC/SBI/1997/7	Provisional agenda and annotations.
FCCC/SBI/1997/8	Financial mechanism: Review process referred to in decision 9/CP.1. Synthesis report.
FCCC/SBI/1997/9	Communications from Parties not included in Annex I to the Convention: Secretariat activities to facilitate the provision of financial and technical support. Progress report.
FCCC/SBI/1997/10	Programme budget of the Convention for the biennium 1998-1999.
FCCC/SBI/1997/11	Arrangements for intergovernmental meetings.
FCCC/SBI/1997/12	Volume of documentation.
FCCC/SBI/1997/13	Communications from Parties not included in Annex I to the Convention: Information on the submission of initial national communications.
FCCC/SBI/1997/14	Mechanisms for consultations with non-governmental organizations (NGOs).
FCCC/SBI/1997/MISC.3	Financial mechanism: Review process referred to in decision 9/CP.1. Compilation of submissions by Parties.
FCCC/SBI/1997/MISC.4	Communications from Parties not included in Annex I to the Convention: Information on relevant action by the Council of the Global Environment Facility.
FCCC/SBI/1997/MISC.5	Communications from Parties not included in Annex I to the Convention: Views of Parties on a process for considering non-Annex I communications.
FCCC/SBI/1997/MISC.6	Mechanisms for consultations with non-governmental organizations (NGOs): Background report.

FCCC/SB/1997/2	Division of labour between the SBI and the SBSTA: Note by the Chairmen.
FCCC/SB/1997/5	Communications from Parties included in Annex I to the Convention.

Other documents for the session

FCCC/SBI/1997/6	Report of the Subsidiary Body for Implementation on the work of its fifth session, Bonn 25 February - 6 March 1997.
FCCC/SBI/1997/L.1/Add.1	Matters arising from the United Nations General Assembly: Special session on Agenda 21. Inputs from UNFCCC.
FCCC/SB/1997/1	Progress report on technology and technology transfer: Note by the secretariat.
FCCC/SB/1997/3	Development and Transfer of Technologies: Progress report.
FCCC/SB/1997/4	Development and Transfer of Technologies: Update to progress report.
FCCC/SB/1997/6	Communications from Parties included in Annex I to the Convention: Inventory and projection data.
FCCC/SB/1997/INF.1	Communications from Parties not included in Annex I to the Convention: Secretariat activities to facilitate the provision of support to non-Annex I Parties for the preparation of their initial national communications. Note by the secretariat.
FCCC/TP/1997/1	Terms of transfer of technology and know-how: Trends and basic data on financial flows to developing countries.
FCCC/CP/1996/15 and Add. 1	Report of the Conference of the Parties on its second session, held at Geneva from 8 to 19 July 1996.

FCCC/SBSTA/1997/4	Report of the Subsidiary Body for Scientific and Technological Advice on the work of its fifth session, Bonn, 25-28 February 1997.
A/AC.237/91/Add.1	Report of the intergovernmental negotiating committee for a Framework Convention on Climate Change on the work of its eleventh session held at New York from 6 to 17 February 1995. Part two: Recommendations to the Conference of the Parties and other decisions and conclusions of the committee.

Annex II

PROPOSED SCHEDULE OF WORK FOR THE SIXTH SESSION OF THE SUBSIDIARY BODY FOR IMPLEMENTATION[1]

	Monday 28 July	Tuesday 29 July	Wednesday 30 July	Thursday 31 July	Tuesday 5 August
10 a.m. to 1 p.m	Items 1, 2, 3 and 7	Items 4 (b) and 5			Item 11
3 p.m. to 6 p.m.		8, 9 and 10	Items 4 (a) and 6	SBI workshop	

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[1] The meetings of the SBI will be held in parallel with those of the other subsidiary bodies.